



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
ADMINISTRATION AND
RESOURCES MANAGEMENT

August 26, 2016

BY ELECTRONIC MAIL

Scott Bogren
Executive Director
Community Development Transportation
Lending Services Inc.
1341 G Street 10th Floor
Washington, D.C. 20460

Re: CDTLS Request for Review (Cooperative Agreement DE-83469201)

Dear Mr. Bogren:

I have carefully considered Community Development Transportation Lending Services' August 5, 2016 submission. Based on that submission, I have determined under 2 CFR 1500.17(b) that CDTLS has not established adequate grounds for reviewing the May 20, 2016 Dispute Decision Official (DDO) Appeal decision sustaining EPA's claim for a refund of \$333,561 in accrued program income from Cooperative Agreement DE-83469201 plus \$16,894.64 interest, administrative charges and penalties. I have referred CDTLS' proposal to deploy \$333,561 in accrued program income to other loans CDTLS made during the performance period for DE-83469201 to EPA's Office of Transportation and Air Quality (OTAQ) and the EPA Award Official for their consideration.

The regulations provide: "The only ground for review of a DDO's Appeal decision is that there was a clear and prejudicial error of law, fact or application of agency policy in deciding the Appeal." 2 CFR 1500.17(b). The DDO determined that CDTLS did not submit evidence that CDTLS made a \$440,000 loan to Meadowbrook Leasing prior to the June 30, 2014 ending date for DE 83469201 and disbursed funds for that loan prior to September 30, 2014. These conditions had to be met under 40 CFR 30.71(b) for CDTLS to apply the \$333,561 in accrued program income to the loan. CDTLS' August 5 submission forthrightly acknowledges that the loan at issue was not in fact consummated during the required time frame. Therefore, the DDO decision was correct legally and factually.

Whether it is in the public interest to grant CDTLS an extension of time to deploy the program income accrued under DE 83469201 to other loans made prior to June 30, 2014 is a matter for EPA's Award Official to decide in consultation with OTAQ. Someone from the Award Official's staff or OTAQ will contact you if there are any questions.

Sincerely,



Howard F. Corcoran
Director, Office of Grants and Debarment

cc: Jill Young, Office of Grants and Debarment
Mike Osinski, Office of Grants and Debarment
Faye Swift, OTAQ
Jennifer Keller, OTAQ
Wendel Askew, Office of General Counsel